



misean cara
Mission Support from Ireland

**REQUEST FOR PROPOSALS
FOR PROVISION OF
ANNUAL STATUTORY
AUDIT TO MISEAN CARA**

**APRIL
2022**

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Introduction

Established in 2004, Misean Cara is the Irish NGO of faith based Missionary Congregations and Voluntary Organisations working in overseas development.

Irish missionaries have a long and distinguished history of leaving our shores to work with excluded and vulnerable communities in developing countries, upholding rights to education, health, livelihoods and decent jobs, responding to emergencies, mobilising excluded communities and advocating on their behalf.

Collectively, Misean Cara's members work in over 50 countries and are part of a much bigger global missionary network that extends across the globe.

Misean Cara is a company Limited by guarantee and not having a share capital.

It is registered in Dublin, Ireland. No: 381117.

Its registered office is: 4th Floor, Callaghan House 13-16 Dame Street, Dublin, D02 HX67.

It has been granted tax exemption by the Revenue Commissioners in Ireland with a charity registration number of 20055325, and a charitable tax exemption number of CHY15772.

Irish Aid is the main contributor of funds to Misean Cara contributing €15.5m in 2021.

Objectives of the Audit

Audit of Financial Statements for Misean Cara in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities ("SORP") and governing legislation in the Charities Act 2009.

Presentation of the financial statements and related notes and the issuance of an audit opinion thereon in the formats required by governing Charities Act legislation and "SORP".

1. Scope

Misean Cara's financial year ends annually on December 31st and accounts are available for audit by the end of January each year. The duration of this tender is for 3 years covering 2022, 2023 and 2024 statutory accounts, commencing on July 1st 2022.

The scope of the audit will include all funds received from Donors by Misean Cara.

The audit will be carried out in accordance with international standards on auditing, as promulgated by the International Federation of Accountants and will include such tests and auditing procedures as the auditor considers necessary under the circumstances. Special attention should be paid by the auditor as to whether:

- a) Donor funds have been used in accordance with the conditions of funding agreements, with due attention to efficiency and economy, and only for the purposes for which funding was provided.
- b) An internal control system is in place to prevent, or detect and correct, errors, misstatements and misappropriations. The control system is appropriate for the type of modality, i.e., direct implementation or sub-granting or both.

- c) Bank accounts maintained for Donor funds have not become overdrawn during the accounting period.
- d) Goods and services have been procured in accordance with the relevant procedures
- e) All necessary supporting documents, records and accounts have been kept in respect of each transaction.
- f) The financial statements have been prepared in accordance with international accounting standards SORP.
- g) The audit needs also to review arrangement for ensuring value for money is obtained for donor funds. The audit should include a rigorous examination of the system of internal controls, including organisation structure, authority levels, staff competence, accounting records and supporting documentation, separation of duties, and monitoring arrangements. Where certain controls are impracticable, appropriate compensating controls should exist. The auditor should plan the audit so that there is a reasonable expectation of detecting material misstatements in the accounts resulting from fraud, error or non-compliance with laws and regulations as may be necessary. If the auditor's suspicions are aroused, s/he must inquire into all the circumstances until satisfied.
- h) IT system is secure and efficient
- i) Numerical content included in the Directors report is accurate and consistent

2. Financial Statements

Misean Cara's financial statements are prepared annually on a calendar year basis from the accounting records maintained at its head office in Dublin and include an Income and Expenditure Statement (Euro) which separately shows all income received from donors. The accounts include expenditure by budget line item, and comparative figures for the preceding year and a Balance sheet as at the December 31st year-end.

3. Audit Report

The audit report is intended for the information of the Board, Audit Committee and members of Misean Cara. The opinion expressed in the audit report will address whether:

- a) The financial statements present a true and fair view of the financial position of Misean Cara. In expressing this opinion, the auditor must consider whether proper accounting records have been maintained, and whether the financial statements are in agreement with these records.
- b) Funds provided for projects by donors have been used in accordance with the relevant agreements.
- c) The auditor shall make a statement confirming they have complied with these terms of reference in the introduction to the management letter. In particular, they will confirm that they have complied with each of the points raised under section 1 above.

4. Management Letter/ Internal Control Letter

In addition to the audit report, the auditor will prepare a "Management Letter" addressed to the Board of Misean Cara, which will:

- a) Give comments and observations on the accounting records, systems, and controls that were examined during the audit;

- b) Identify specific deficiencies or areas of weakness in systems and controls, and make recommendations for their improvement;
- c) Include management comments and observations relating to the recommendations in (b) above. The auditors will bring matters to the attention of management as they arise and seek clarification and/or management's comments during the course of the audit.
- d) Communicate matters that have come to the auditor's attention that might have a significant impact on the implementation of projects
- e) Refer to any other matters that the auditor considers relevant.
- f) The management letter must include a review of the issues raised in the previous year's management letter and a status report on progress/follow up covering:
- Recommendations from previous years not implemented;
 - Recommendations from previous years implemented;
 - Recommendations from current year – including note when there are no issues highlighted during the year.
- g) In all cases, a management letter MUST be issued. If no issues have arisen during the course of the audit, the auditors must issue a management letter stating that no issues have arisen. – This situation does not mean that the update on previous years will not be given.
- h) Include a high, medium or low prioritisation on all issues arising in the management letters. Ranks should be allocated according to the following criteria:
- High - a major weakness or a recurring issue that must be addressed soon
 - Medium - an important matter that will significantly improve the control environment, the accounting system or the operations of the business but is not so serious or prevalent as to be considered a major weakness
 - Low - a minor (or isolated) weakness that should nevertheless be addressed to improve the control environment, the accounting system or the operations of the business.

5. Time Frame and Coordination with Auditors

A pre-planning meeting will be held in early December.

The on-site Audit will commence in the first week of February for 5 (minimum) to 10 (maximum) working days. Draft accounts for review should be available within 2 weeks of leaving site. A closing meeting will be held with the Misesan Cara Audit Committee in mid-March to report and review audit findings and finalise the Directors report and statutory accounts.

Where possible continuity of Audit personnel is required from year to year. The Misesan Cara Financial Controller will have the primary responsibility for coordination with the auditors.

6. Selection Criteria Technical

Misesan Cara's Audit Committee will review all applications and make recommendations to the Board of Directors for final approval, following which member approval of the successful applicant will be sought at the AGM on 22 June.

- Understanding of the assignment, (5%)
- Methodology and approach, (10%)
- Background, profile and experience of the firm, (20%)
- Experience on similar assignments with sample lists of clients, (20%)
- Number of staff with qualification including qualifications and experience of staff to be deployed to each assignment, (15%)
- Affiliation with an international audit firm, (5%) Financial
- The fee quoted (showing hours and costs by grade) as well as transparency around the fee structure. (25%) It is expected that the annual fee will remain the same for the duration of the agreement.

7. Conflict of Interest

Tenderers must disclose in their submissions details of any circumstances, including personal, financial and business activities that will, or might, give rise to any conflict of interest associated with any current or previous engagement/programme undertaken, or any relationship that may reasonably be perceived to potentially conflict or impact on their ability to participate in the Tender Process or fulfil the requirements of the engagement.

This also includes any subcontractor. Failure to disclose a material conflict of interest may disqualify a Tenderer or cause the termination of any subsequent contract and entitle Misean Cara to seek remedies, such as cost or compensation for loss. Where Tenderers identify any potential conflicts they should state how they intend to avoid such conflicts. Misean Cara reserves the right to reject any submission which, in the opinion of Misean Cara, gives rise, or could potentially give rise to, a conflict of interest.

8. Proposal Submission

Proposals should include the following:

- Contact information, including office location;
- A brief background to the firm including size and structure;
- An outline of the firm's competence in the areas supporting the scope of work noted above including where applicable, experience of providing similar services to NGOs/religious organisations;
- Professional qualifications of key personnel;
- Details of professional indemnity insurance;
- Fees and associated VAT rates;
- Details of a least two (2) referees.

Proposals should be submitted to by email to: tender@miseancara.ie

Closing date: Tuesday, 31st May 2022 at 17:00.

9. Confidentiality

Misean Cara will treat the content of all tenders as confidential. Information provided in the tenders will be used solely for the purpose of deciding on the award of a service agreement as described in this document.

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